GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:181
ANSWERED ON:09.03.2001
LEVY SUGAR
GANGASANDRA SIDDAPPA BASAVARAJ;SUSHIL KUMAR INDORA

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the dates on which quota of levy sugar has been reduced since March, 1998, indicating the percentage of reduction on each occasion;

(b) the reasons for providing relief to the sugar mill owners by reducing the quota of levy sugar;

(c) the present status of implementation of Mahajan Committee recommendations on sugar industry; and

(d) the time by which these recommendations are likely to be implemented in full?

Answer

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHANTA KUMAR)

(a),(b),(c) & (d) : A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a), (b),(c) & (d) OF STARRED QUESTION NO.181 FOR ANSWER IN THE LOK SABHA ON 09.03.2001.

(a) The levy obligation, which was 40% in March, 1998, was reduced to 30% w.e.f. 1.1.2000 and to 15% w.e.f. 1.2.2001.

(b) The High Powered Committee on Sugar Industry (Mahajan Committee), in its Report submitted to Government in April, 1998, recommended, inter alia, complete decontrol of sugar to be phased over a period of two years. Government has decided to decontrol the sugar industry in a phased manner. This decision has been taken as part of the reforms process in the sugar sector as also to improve the financial health of the sugar mills and to enable them to make timely payment of cane prices to the growers.

(c) & (d) : Government has taken decisions on all the recommendations of the Mahajan Committee.75 recommendations have been accepted wholly or partly or with modification. Many of these recommendations have already been implemented, either fully or partly. The remaining recommendations accepted by Government are at various stages of implementation.